



Environmental Services Division
Energy and Waste Management Bureau

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GASOLINE PRICES EASE AS REFINERIES COME BACK ON LINE

DES MOINES — Prices retreated as refinery production recovered from Hurricanes Katrina and Rita and imported gasoline reached the U.S. in large volumes. On November 15, regular gasoline blended with ethanol in Iowa was selling for \$2.06 per gallon. This was \$0.46 lower than last month, but still 12 percent higher than this time last year (\$1.84 per gallon).

The latest data shows that ethanol-blended gasoline represented 75 percent of all retail gasoline sold in September. All auto manufacturers warrant the E-10 blend of 10 percent alcohol and 90 percent gasoline for use.

The average price for regular gasoline in Iowa was \$2.11. This was \$0.45 lower than last month, but still 13 percent higher than this time last year (\$1.86 per gallon).

“Although demand for gasoline has recovered, so has gasoline production,” said Jennifer Moehlmann, energy data analyst for the DNR. “High imports of gasoline have combined with better production to lower prices. However, historically, prices rise before the high-travel period around Thanksgiving.”

Diesel prices have also fallen, selling on November 15 for \$2.55, down \$0.58 from last month, but still \$0.44 higher than this time last year (\$2.11 per gallon). Increased output from refineries, the delay of winter weather and the tail end of the harvest have led to the price declines.

Oil prices settled at \$56.99 on November 15, \$6.10 less than one month ago but still 24 percent higher than last year (\$46.12).

According to the DNR’s November 14 fuel price survey, the average retail price of propane was \$1.51 per gallon, \$0.04 lower than the previous month and 16 percent above the retail price of propane at this time last year (\$1.30 per gallon). The Energy Information Administration predicts propane expenditures this winter may rise 21 percent, compared to last year.

The price survey reported the average retail price of No. 2 heating oil was \$2.20 per gallon, \$0.62 lower than last month and 29 percent above last year’s price at this time (\$1.70 per gallon). The EIA predicts heating oil expenditures this winter may rise 27 percent, compared to last year.

On November 15, natural gas was trading at \$9.25/MMBtu, \$4.25 lower than last month and 57 percent above the price of natural gas at this time last year (\$5.90/MMBtu). The Iowa Utilities Board predicts residential natural gas bills this winter may rise 36 to 50 percent, depending on the weather.

With higher heating prices predicted this year, consumers should make improvements to their homes' efficiency to help lessen the blow. Simply caulking and weather-stripping to eliminate air leaks can save 10 percent on a typical home's energy bill. More tips for saving energy and money at home and on the road are available at www.EnergySavingTips.gov.

MOTOR FUELS SURVEY STATE AVERAGES

Self-Serve	October 15	November 15	Change
Regular Unleaded with Ethanol	2.52	2.06	-0.46
Regular Unleaded	2.56	2.11	-0.45
Premium Unleaded	2.62	2.17	-0.45
Diesel	3.13	2.55	-0.58

Source: Oil Price Information Service, www.opisnet.com

AVERAGE SELF-SERVE REGULAR WITH ETHANOL PRICES IN MAJOR CITIES

	October 15	November 15	Change
Ames	2.33	2.03	-0.31
Cedar Rapids	2.58	2.00	-0.58
Council Bluffs	2.31	1.99	-0.32
Davenport	2.60	2.09	-0.51
Des Moines	2.43	1.94	-0.49
Dubuque	2.52	2.08	-0.44
Fort Dodge	2.51	2.03	-0.48
Iowa City	2.60	2.11	-0.49
Sioux City	2.55	2.11	-0.44
Waterloo	2.48	2.06	-0.42
Webster City	2.60	2.08	-0.52
Average Metro Price	2.50	2.05	-0.45

Source: Oil Price Information Service, www.opisnet.com

WHOLESALE PRICES IN DES MOINES, IOWA

	October 14	November 15	Change
Unleaded Gasoline	1.75	1.54	-0.21
10% Ethanol-blended gasoline	1.82	1.59	-0.23
E85	2.35	1.97	-0.38
Diesel Fuel	2.66	1.84	-0.82

Source: Oil Price Information Service, www.opisnet.com

HEATING FUELS SURVEY

	October 17	November 14	Change
Natural Gas	13.50	9.25	-4.25
Propane	1.55	1.51	-0.04
#2 Heating Oil	2.82	2.20	-0.62

Sources: Wall Street Journal, Iowa Department of Natural Resources